

Minutes
County Road Administration Board
November 1-2, 2012
CRAB Office – Olympia, Washington

Members Present: Dean Burton, Garfield County Commissioner, Chair
 *Brian Stacy, PE, Pierce County Engineer, Vice-Chair
 Dale Snyder, Douglas County Commissioner, Second Vice-Chair
 Bob Koch, Franklin County Commissioner
 Mike Leita, Yakima County Commissioner
 Derek Pohle, PE, Grant County Engineer
 Ray Thayer, Klickitat County Commissioner
 Andrew Woods, PE, Columbia County Engineer

Member Absent: John Koster, Snohomish County Councilmember

Staff Present: Jay Weber, Executive Director
 Walt Olsen, Deputy Director
 Steve Hillesland, Assistant Director
 *Karen Pendleton, Executive Assistant
 Rhonda Mayner, Secretary
 Jeff Monsen, Intergovernmental Policy Manager
 Randy Hart, Grant Programs Manager
 Bob Moorhead, Compliance and Data Analysis Manager
 Bob Davis, Systems Manager
 **Jim Ayres, Design Systems Engineer
 **Jim Oyler, Support Specialist
 **Eric Hagenlock, Applications Specialist
 **Kathy O'Shea, Database Specialist
 **Don Zimmer, Road System Inventory Manager

Guests: *Scott Yeager, PE, Adams County Engineer
 *Brad Bastin, PE, Cowlitz County Engineer
 *Todd Mittge, Grant County Assistant Engineer
 *Melissa McFadden, PE, Mason County Engineer
 **Gary Rowe, WSACE Managing Director
 **Scott Merriman, WSAC
 **Emmett Dobey, WSAC

(*November 1, 2012 only)

(**November 2, 2012 only)

CALL TO ORDER

Chair Burton called the County Road Administration Board quarterly meeting to order at 1:00 pm on Thursday, November 1, 2012, at the CRAB Office in Olympia. He reminded those present to silence their cell phones, and asked guests to sign in. All present introduced themselves.

CHAIR'S REPORT

Approve Agenda for the November 1-2, 2012 Meeting

Chair Burton noted the addition of Item 4.E. – Deputy Director's Presentation to the agenda.

Second Vice-Chair Snyder moved and Vice-Chair Stacy seconded to approve the agenda as amended. **Motion passed unanimously.**

Approve Minutes of July 2012 CRABoard Meeting

Commissioner Koch moved and Mr. Pohle seconded to approve the minutes of the July 19-20, 2012 CRABoard meeting as presented. **Motion passed unanimously.**

RURAL ARTERIAL PROGRAM

Program Status Report

Mr. Hart reviewed the RAP status report. There are 64 projects currently being funded, and 14 approved projects with no RATA paid to date. CRAB has total anticipated revenue of \$484,860,943 through the 2011-13 biennium. \$448,723,347 has been expended to date. There are outstanding obligations of \$93,540,065.

Resolution 2012-007 – Apportion RATA Funds to Regions

Mr. Hart presented Resolution 2012-007 – Apportion RATA Funds to Regions, which approves that \$6,443,430 now credited to RATA for July through October 2012 be apportioned to the regions by the established 2011-13 biennium regional percentages after setting aside \$149,750 for administration.

Second Vice-Chair Snyder moved and Commissioner Thayer seconded to approve Resolution 2012-007, Apportion RATA Funds to Regions. **Motion carried unanimously.**

Review 2013-15 Project Arrays

Mr. Hart presented the proposed array for the 2013-15 biennium. He noted that 37 of the 39 counties submitted proposals by March 1, 2012 through RAP Online. Staff reviewed 152 projects in the spring of 2012. 78 final prospectuses were submitted and 73 were accepted. 16 partially-funded projects were placed at the top of each region's array showing funds gained in the previous biennium. A

total of 89 projects are on the proposed priority array. He reported that the estimated revenue for the 2013-15 biennium is \$38,000,000 which includes interest accrued.

Mr. Hart noted that three Spokane County projects are not on their current 2012-17 Six-Year Transportation Improvement Plan. The county has stated they are in the process of amending the program by the end of the year. If they are not, they will be dropped from the array.

Vice-Chair Stacy noted that the timelines of county adoption of the TIP and the RAP submittal process do not always mesh well, and stated that he would support legislative changes to the RAP timeline. The Board members expressed concern about amending the plan for 2012 when the year is nearly over. Discussion of the limitations of and problems with the TIP process followed.

Vice-Chair Stacy requested that staff look into the issue and report back to the Board at the January 2013 CRABoard Meeting.

Adams County Project Request

Mr. Hart noted that Adams County has requested a scope change for the RATA funded Lind-Hatton Road project. The request is to lengthen the project limits from MP 7.33-12.08 to MP 7.33-12.37, with no change in RATA funding.

Mr. Hart introduced Mr. Yaeger.

Mr. Hart reported that the project was submitted by the county on September 1, 2006 requesting \$2,162,400 in RATA funds. \$546,692 was awarded on April 19, 2007, and the remaining \$1,615,708 was awarded on April 17, 2008. The current project cost is \$2,402,700

The county wishes to extend the project limits by 1500 feet to milepost 12.37 in order improve the existing very short and unsafe sight distance of 260 feet and thereby eliminate 0.25 miles of no passing zone, milepost 12.08 to 12.37. The restricted sight distance is created by a vertical curve. The county proposes to construct a new vertical curve which will provide 800 feet of sight distance and meet a 50 mph design speed standard.

Staff has reviewed the project site and finds the proposed change in project limits increases the project's ranking from 41.58 to 42.29. The added section has the same deficiencies as the original project. Staff recommends that the milepost limits for Lind-Hatton Road be revised to 7.33 to 12.37 with no change in funding.

Following discussion and questions, Mr. Woods moved and Mr. Pohle seconded to approve Adams County's request for a scope change for the Lind-Hatton Road project to lengthen the project limits from MP 7.33-12.08 to MP 7.33-12.37, with no change in RATA funding. **Motion passed unanimously.**

Cowlitz County Project Request

Mr. Hart noted that Cowlitz County has requested a scope change for the RATA funded Hazel Dell Road project. The request is to lengthen the project limits from MP 0.00-1.00 to MP 0.00-1.15. The request also reduces the proposed width from 36 feet to 30 feet between MP 0.32 to MP 0.66, with no change in RATA funding.

Mr. Hart introduced Mr. Bastin.

Mr. Hart reported that the project was submitted on September 1, 2008 requesting \$1,000,000 in RATA funds. Only \$517,243 was allocated to the project on April 16, 2009 since the county had reached its biennial funding limit on this project. The remaining \$482,757 is anticipated to be allocated at the April 2013 CRABoard meeting.

The current estimated cost of the project including the additional 0.15 miles of road improvements is \$2,150,000. The project is scheduled for construction in 2013.

The original submittal proposed to widen the roadway to 36 feet, and improve Hazel Dell Road from its intersection with SR 411 at MP 0.00 to MP 1.00. The additional 0.15 miles to MP 1.15 will allow for straightening of a substandard curve and rebuilding of failed pavement. The existing roadbed width is 22 feet. The final roadway will be comprised of 12-foot lanes and 3-foot shoulders from MP 0.32-0.66 and 12-foot lanes and 6-foot shoulders for the remainder.

Scheduled intersection improvements on SR 411 will be part of the total construction project but will be accounted for separately. The county plans to amend the RAP contract (with CRAB Director approval) to combine the SR 411 intersection construction with the RAP project.

Staff has reviewed the project site and the scope change requested by Cowlitz County. Reducing the proposed roadway width to 30 feet in the 0.34 mile section has no effect on the project score since the full design standard width is 30 feet. Lengthening of the project by 0.15 miles increases the amount of new guardrail by 400 feet. The number of culverts to be treated increases from five to eight. Also, the prospectus included accidents on the SR 411 turn lanes project, which is not RAP funded. The number of injury accidents should have been two, not five. The net effect of the above changes reduces the score from 85.60 to

80.60. At this score, the project would still have gained RATA funding approval by the CRABoard. Staff recommends approval of the scope change with no reduction in funding.

Following discussion and questions, Second Vice-Chair Snyder moved and Vice-Chair Stacy seconded to approve Cowlitz County's request for a scope change for the Hazel Dell Road project to lengthen the project limits from MP 0.00 -1.00 to MP 0.00 – 1.15 and reduce the proposed width from 36 feet to 30 feet from MP 0.32- 0.66, with no change in RATA funding. **Motion passed unanimously.**

Grant County Project Request

Mr. Hart noted that Grant County has requested a scope change for the RATA funded 6-SE Road project. The request is to increase the proposed percent grade at MP 1.71 from 6% to 8.5%, and reduce the proposed design speed at MP 0.11 from 40 mph to 25 mph, with no change in RATA funding.

Mr. Pohle was recused from discussion and voting on this project.

Mr. Hart introduced Mr. Mittge.

Mr. Hart reported that the project was submitted by the county on September 1, 2006. Full funding of \$825,525 was awarded to the project on April 19, 2007. The total cost of the project currently stands at \$928,000 and construction is scheduled for spring 2013.

As design of the project progressed, the county discovered that the amount of fill material needed for a 200 foot length for an existing sag vertical curve at MP 1.71 would cause exceptional right-of-way impact to an adjacent property owner. Also, this fill material would have to be imported since none is available from possible project excavation due to the presence of a United States Bureau of Reclamation (USBR) canal siphon and a railroad crossing. Neither of these can be moved. The county proposes to leave the grade at 8.5% at this location instead of constructing the 6% grade proposed in the prospectus. The maximum grade allowed for full design is 7%.

Another section of the project adjacent to the USBR canal at MP 0.11 has horizontal alignment deficiencies that cannot be improved without either canal relocation or moving the road east away from the canal onto local farmland. The farm ownership has changed since the prospectus was submitted, and the new owners have been very uncooperative in any right-of-way negotiation. The county proposes a 25 mph design curve at that location rather than the 40 mph proposed in the prospectus.

Due to the geometric constraints described above the county faces major difficulties in right-of-way purchase and construction costs in order to build the road to full standards at the two locations. The county chose instead to seek approval from the WSDOT to deviate from full design standards, then seek CRABoard approval for the change in project scope.

Per WAC 136-210-030, any deviation from design standards on a full reconstruction project (one that changes the alignment on 50% or more of the project length) requires approval from the Highways and Local Programs division of Washington State Department of Transportation. The county was granted the deviations described above by the WSDOT on July 2, 2012. The county is now requesting approval of continued RAP funding of the project at the reduced scope.

Staff has reviewed the proposal and finds the proposed change in grade and design speed reduces the score of the project from 85.07 to 74.19. 6-SE road still would have been funded at the reduced score.

Staff finds that the deviation has been approved by WSDOT, the revised score is high enough for the project to have been funded at the original CRABoard allocation meeting on April 19, 2007 and the county is committed to making standard improvements over the rest of the 3.81 mile project, and therefore recommends approval of this scope reduction with no change in RAP funding.

Following discussion and questions, Mr. Woods moved and Vice-Chair Stacy seconded to approve Grant County's request for a scope change for the 6-SE Road project to increase the proposed percent grade at MP 1.71 from 6% to 8.5%, and reduce the proposed design speed at MP 0.11 from 40 mph to 25 mph, with no change in RATA funding. **Motion passed unanimously, with Mr. Pohle recused.**

RAP Project Updates

Mr. Hart provided the following updates:

Asotin County – Snake River Road MP 4.36–4.59:

RAP funds of \$974,700 include an increase of \$324,900 approved in April 2010, with \$796,893 RATA spent to date. Total estimated project cost is \$2,955,000. In October 2010, during construction of the non-RAP funded bridge in the middle of the road project, Native American remains were discovered adjacent to the existing road pavement. Based on this, and coupled with the concerns over previous non-intact discoveries, the project was shut down from further ground-disturbing activities until affected tribes could work out a solution with the county. These issues have been resolved and construction resumed on October 22, 2012.

Pierce County – Crystal Mountain Blvd:

The original RAP project funded in April 2009 was extended from mileposts 0.00-3.25 to 0.00–6.10 at the October 2010 CRABoard meeting in order to match the Forest Highway funded project limits as approved by Western Federal Lands (WFL), Highway Division of FHWA. \$8,538,000 in Forest Highway funds were programmed for the project in March 2010. FHWA had estimated the construction to commence in 2015 at an estimated cost of \$11,000,000. With passage of MAP 21 the Forest Highway Program ceased, and the programmed federal funds for Crystal Mtn. Blvd evaporated. The county can reapply under the new Federal Access Program, which is sending out a call for projects in November 2012. The Access Program Project Decisions Committee is made up of one staff person each from Western Federal Lands, WSDOT, and CRAB. Mr. Hart is on the committee.

Snohomish County – Jordan Road Bridge and Approaches:

<u>Project</u>	<u>Amount</u>	<u>Date</u>
Jordan Road Bridge	\$212,020	July 8, 2004
Jordan Road Bridge	\$1,048,980	April 29, 2005 (Full Funding \$1,261,000)
Jordan Road Approaches	\$891,000	April 19, 2007 (Full Funding \$891,000)
*RATA increase	\$849,420	October 27, 2011
Total RATA funding	\$3,001,420	

*Increased funding due to unanticipated environmental constraints, changes in construction methods and right-of-way costs. The project has been awarded for just under \$2,500,000 and should be complete in 2013.

Spokane County – Bigelow Gulch Road:

This is CRAB's oldest active project, awarded with a total of \$2,745,000 in RATA funds in 1998 and 1999. Construction milestone and phasing requirements were not in the WAC when this project was funded, otherwise it would have lapsed some time ago. The county has claimed \$1,070,939 to date, and plans to spend the remaining \$1,674,061 on PE and right of way.

Construction of the \$14,000,000 total project is planned for 2015 and includes STP, Freight Mobility, county road and potential Public Works Trust Funds.

Stevens County – Arden Bridge Emergency Project

The CRABoard approved \$650,000 in emergency RATA funding on July 28, 2011 due to failure (heavy scouring) of the piers. The county has spent \$51,561 RATA funds on design and plans to construct the replacement bridge in late 2012 or early 2013.

The total awarded contract amount is \$730,000. Demolition of the old bridge is completed.

Wahkiakum County - Ferry Boat Replacement:

The original estimate was \$3,900,000, funded by a \$2,800,000 federal Ferry Boat Discretionary Grant (FBDG) in September 2011; \$1,000,000 in RATA emergent funds in October 2011; and \$100,000 in local funds.

The current project cost is \$4,174,000. The county plans to make up the shortfall with STP and local funds. Since RAP funding was awarded, the county approved a re-design of the boat that handles larger vehicles.

The timing of the FBDG grant and need to move to construction was clearly outside the call cycle of CRAB's County Ferry Capital Improvement Program. CRAB funded most of that shortfall. The county upgraded the design to handle full sized trucks and the consultant agreed.

The county has charged \$73,329 from the RATA to date for design costs.

Walla Walla County - Gardena Bridge Emergent Project

The CRABoard approved \$612,000 in emergent RATA funding on January 27, 2011. The bridge gained federal Bridge Replacement Program funding in November 2010, outside the RAP call for projects in 2008.

The nearly complete project raised the profile grade of the bridge by eight feet.

Chair Burton called for a brief recess.

DIRECTOR'S REPORT

Director's Activities

Mr. Weber reported on his recent activities. He noted that he has been working with FMSIB to ensure that their board complies with the federal Transportation Act governing advisory boards.

He reported that the WSDOT and Washington Transportation Commission have agreed under state law to combine the Washington Transportation Plan and the WA Freight Transportation Plan.

He has been asked by MRSC to participate in a visioning process.

He noted that there has been a second lawsuit filed against a county concerning maintenance on primitive roads. The first was in Stevens County, the

second is in Okanogan County. Both involve the issue of snow plowing.

2013 Meeting Schedule

Mr. Weber presented possible dates for the 2013 CRABoard meeting schedule. Following discussion, Mr. Pohle moved and Second Vice-Chair Snyder seconded to approve the 2013 CRABoard Meeting dates as January 24-25, April 18-19, July 25-26, and October 24-25. **Motion passed unanimously.**

Approve Annual Certification Form

Mr. Weber noted that there are no changes to this year's form aside from the usual date changes.

Mr. Woods moved and Mr. Pohle seconded to approve the 2013 Annual Certification Form. **Motion passed unanimously.**

2011-13 Current Budget Status

Mr. Weber noted the new format of the budget report, which streamlines the preparation of the report and is easier to read. The Board expressed an interest in seeing expenditures as a percentage of the biennial budget.

Commissioner Leita moved and Vice-Chair Stacy seconded to add a column to the report showing percentage of expenditures against a 24-month allotment. **Motion passed unanimously.**

2013-15 Budget Submittal

Mr. Weber informed the Board that the 2013-15 budget request has been submitted to the Office of Financial Management, with the addition of \$10,000,000 for CAPP from the Transportation Safety Account.

DEPUTY DIRECTOR'S REPORT

County Engineers/Public Works Directors

Mr. Olsen announced the following changes since July 2012:

1. Franklin County continued under an agreement with Benton County for County Engineer services until August 8, 2012, when acting Public Works Director/County Engineer Malcolm Bowie, PE, resigned his position with Benton County. Benton County moved quickly to fill their vacant County Engineer position with the temporary appointment of Roy Cross, PE, who will remain until the position is filled. Franklin County appointed Matthew Rasmussen, PE, on September 12, 2012, to fill the vacant position of County Engineer/Assistant Public Works Director, effective September 24, 2012.

2. By letter on July 31, 2012, Mason County announced that Melissa McFadden, PE, was appointed as Deputy Director/County Engineer, effective August 1, 2012.

County Visits

County Visits completed since July 2012:

- Whitman County
- Spokane County
- Chelan County
- Douglas County
- Wahkiakum County
- Yakima County
- Lewis County

Numerous contacts with County Engineers took place in other venues.

State Auditor's Report

The 1997 State Auditor Office (SAO) audit of CRAB concluded that the minutes of the Board meetings needed specific mention of SAO audits of the counties and of any findings that might relate to the statutory responsibilities of CRAB. The minutes also need to reflect any recommendations from the CRAB Board to staff in response to the audits. This report details our staff procedures to satisfy the SAO.

CRAB has reviewed ***46*** audit reports representing ***36*** counties since the July 2012 board meeting. ***14*** audits contained a total of ***19*** findings issued and ***5*** involved County Road Funds in some form. **Any audits with county name in bold print revealed substantive findings involving County Road Funds,** specifically:

2011 Audits

Adams County

Audit Number: 1008430
Date Released: 09/26/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Financial and Single

Asotin County

Audit Number: 1008307
Date Released: 09/24/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Financial and Single

Benton County

Audit Number: 1008176
Date Released: 08/27/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Financial and Single

Chelan County

Audit Number: 1008318
Date Released: 09/24/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Financial and Single
Finding Report - two findings (1 Co. Rd.)

Audit Number: 1008319
Date Released: 09/24/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Accountability

Clallam County

Audit Number: 1008256
Date Released: 09/10/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Financial and Single

Clark County

Audit Number: 1008181
Date Released: 08/27/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Accountability

Audit Number: 1008184
Date Released: 08/27/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Financial and Single
Finding Report - One finding

Cowlitz County

Audit Number: 1008385
Date Released: 09/26/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Financial and Single

Ferry County

Audit Number: 1008421
Date Released: 09/26/2012
Audit Period: 01/01/2011- 12/31/2011
Audit Type: Financial and Single
Finding Report - One finding

Franklin County

Audit Number: 1008473
 Date Released: 09/26/2012
 Audit Period: 01/01/1996- 01/30/2012
 Audit Type: Fraud
Finding Report - One finding (1 Co. Rd.)

Audit Number: 1008485
 Date Released: 09/26/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Garfield County

Audit Number: 1008481
 Date Released: 09/28/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Grant County

Audit Number: 1008492
 Date Released: 09/28/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Grays Harbor County

Audit Number: 1008408
 Date Released: 09/26/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
Finding Report - One finding

Island County

Audit Number: 1008297
 Date Released: 09/17/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Jefferson County

Audit Number: 1008255
 Date Released: 09/10/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

King County

Audit Number: 1008074
 Date Released: 07/30/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial
Finding Report - One finding

Kitsap County

Audit Number: 1008368
 Date Released: 09/24/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Kittitas County

Audit Number: 1008367
 Date Released: 09/24/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
Finding Report - One finding

Klickitat County

Audit Number: 1008401
 Date Released: 09/26/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
Finding Report - One finding (1 Co. Rd.)

Lewis County

Audit Number: 1008230
 Date Released: 09/10/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Accountability

Audit Number: 1008231
 Date Released: 09/10/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Lincoln County

Audit Number: 1008225
 Date Released: 09/10/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Mason County

Audit Number: 1008399
 Date Released: 09/20/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Okanogan County

Audit Number: 1008482
 Date Released: 09/28/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
 Finding Report - 2 findings

Pacific County

Audit Number: 1008443
 Date Released: 09/26/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
 Finding Report - One finding

Pend Oreille County

Audit Number: 1008247
 Date Released: 09/10/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Audit Number: 1008275
 Date Released: 09/10/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Accountability

Pierce County

Audit Number: 1008271
 Date Released: 09/24/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

San Juan County

Audit Number: 1008369
 Date Released: 09/26/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
Finding Report - One finding (1 Co. Rd.)

Audit Number: 1008540
 Date Released: 10/29/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Accountability

Skagit County

Audit Number: 1008099
 Date Released: 08/06/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
 Finding Report - One finding

Skamania County

Audit Number: 1008313
 Date Released: 09/24/2012
 Audit Period: 01/01/2010- 12/31/2011
 Audit Type: Accountability
Finding Report - One finding (1 Co. Rd.)

Audit Number: 1008314
 Date Released: 09/24/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
 Finding Report - 3 findings

Snohomish County

Audit Number: 1008263
 Date Released: 09/17/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
Finding Report - 3 findings, (1 Co. Rd.)

Spokane County

Audit Number: 1008359
 Date Released: 09/25/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Stevens County

Audit Number: 1008315
 Date Released: 09/24/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
 Finding Report - One finding

Thurston County

Audit Number: 1008292
 Date Released: 09/17/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single
 Finding Report - One finding

Wahkiakum County

Audit Number: 1008298
 Date Released: 09/17/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Whatcom County

Audit Number: 1008397
 Date Released: 09/26/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Walla Walla County

Audit Number: 1008467
 Date Released: 09/28/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Yakima County

Audit Number: 1008354
 Date Released: 09/24/2012
 Audit Period: 01/01/2011- 12/31/2011
 Audit Type: Financial and Single

Mr. Olsen presented a review of the findings prepared by Mr. Moorhead:

Chelan County 2011 Audit

CRP 612, Eagle Creek Road: This project has Federal, CRAB, and county funding. The county erred in submitting reimbursement requests of 86.5% on the federal grant and 90.0% on the CRAB grant for the same project expense. A more appropriate method would have been to request the 86.5% federal reimbursement on the total amount, and a 90% CRAB reimbursement on the 13.5% balance until the eligible federal funds were expended. After that point, the CRAB reimbursement of 90% would have been appropriate for the balance of the project costs.

CRP 654, Stemilt Loop Road: The Equipment Rental Rate used on this project that included Federal funds included a replacement cost factor. The Equipment Rental costs were also billed twice to the Federal grant. The Auditor's Report correctly noted that the duplicate billing was incorrect. However, the Auditor's Report also listed the entire Equipment Rental charge as being ineligible, when only the component related to replacement was ineligible. **(Not a CRAB project.)**

Franklin County Special Investigation 2012

The State Auditor's Office, at the request of the Franklin County Auditor, performed an investigation regarding the misappropriation of \$1.8 million in County Road Funds by the Franklin County Public Works Department Accountant during the period 2002-2012. There are indications that the misappropriations extend back to 1996, and involve an additional \$1.0 million in County Road Funds. The issue is also under investigation by the State Attorney General's Office, the Franklin County Prosecuting Attorney's Office, and the Pasco Police Department. The Public Works Accountant was terminated in February, 2012, and the Public Works Director was terminated in March 2012. A trial date for the former Public Works Account is scheduled to begin in Franklin County Superior Court in January, 2013.

Klickitat County 2011 Audit

Internal Controls: The State Auditor's Report found the County's accounting system did not properly account for "prior period adjustments" when changing from a Generally Accepted Accounting Principles (GAAP) basis to a cash-basis reporting system. Among five funds, the Road Fund had an adjustment of - \$592,315 and the Equipment Rental & Revolving Fund had an adjustment of +\$1,214,309. There were no indications that any funds had been misappropriated or lost.

San Juan County 2011 Audit

Wetland Construction Project: The State Auditor's Report determined that the County failed to obtain certified weekly payroll reports from the contractor on this federally funded project as required under the Davis-Bacon Act. The County acknowledged the non-compliance. The County did note, however, that both the "Statement of Intent to Pay Prevailing Wages" and the "Affidavit of Wages Paid" submittals were properly submitted. The County agreed to obtain the certified weekly payroll reports on all projects utilizing federal funds. **(Not a Road Fund or CRAB issue.)**

Skamania County 2011 Audit

Equipment Rental & Revolving Fund (ER&R): During severe revenue shortfalls during 2010 and 2011, the County Commissioners suspended inter-fund payments among county departments. As a result, the ER&R fund used capital reserve funds for operation and maintenance costs. In the State Auditor's Report, the Commissioners response was that they were unaware that capital ER&R funds were being used to continue ER&R O&M. Because of the Auditor's Report, the shortfalls were reclassified as inter-fund loans, and repayment plans with interest have been established for repayment in 2013-2015.

Bob Moorhead had a telephone conversation with Tim Homann and Larry Douglass on Tuesday, September 25, 2012. They confirmed that the ER&R Fund now has separate components for Vehicle Maintenance, Vehicle Replacement, Material Stockpiles, and Radio Equipment Replacement. The Commissioners have committed to make current monthly payments in 2012, and to maintain the inter-fund loan repayment schedules in 2013-2015.

Declining General Fund Balance: The Auditor's Report noted that the county's General Fund Year-End Balance had declined from \$6.4 million in 2009 to \$3.4 million in 2010 and to \$0.7 million in 2011. The County Commissioners acknowledged the use of reserve funds as the Federal County Payments declined. The 2012 General Fund budget was reduced by 30%, and inter-fund loans with repayment schedules have been put in place for the 2012-2015 period. **(Not a Road Fund or CRAB issue.)**

Snohomish County 2011 Audit

Disaster Grant Program: The State Auditor's Report questioned a sample of equipment charges used on a presidentially declared disaster on a single day. The County charged five hours to the disaster for an operator, a pickup truck, and a loader, and five hours to another project for a single 10-hour workday. The Auditor would have preferred that some of the time be shown as "standby time" so that the number of hours the two pieces of equipment were in use would total only 10 hours for the day. The County responded that the pickup and loader were used intermittently during the course of the day, and that the granting federal agency (FEMA) approved the costs as eligible. The State Auditor then extrapolated the "sample" to apply to other FEMA-reimbursed costs for the disaster, estimating the over-reimbursement as \$39,291 of a total reimbursement of \$1,523,331. FEMA did not pursue reimbursement action.

GASB 54 Issues

The State Auditor Reports for Kittitas, Grays Harbor, Pacific and Thurston counties noted that year-end fund balances were not correctly classified under GASB 54 guidelines. In no case was there any indication that funds were misappropriated or missing.

Deputy Director's Activities

Mr. Olsen reported on his activities since the July meeting.

Presentation

Mr. Olsen gave a brief presentation on the recent eastern Washington fires.

WORK SESSION – PERFORMANCE MEASURES DISCUSSION

Mr. Olsen updated the Board on the WSAC study, which was funded using a portion of the MVFT funds designated for studies, to develop a transportation performance measures program. He noted that the original intent of the study was to identify and prioritize the areas of greatest need in the counties. A consultant has been hired and given a scope of work.

CRAB staff believes that much of the data being sought for the study already resides at CRAB, as well as the technology and manpower needed, making CRAB a logical home for the program.

Mr. Olsen and Mr. Monsen are working with the study committee in an attempt to help streamline the process and provide realistic, workable data to facilitate the project.

Chair Burton recessed the meeting at 4:43 pm on November 1, 2012. The CRABoard meeting will resume November 2, 2012 at 8:30 am.

County Road Administration Board
Friday, November 2, 2012

CALL TO ORDER

The second day of the fall CRABoard meeting was called to order by Chair Burton at 8:30 am on November 2, 2012. He reminded those present to silence their cell phones, and asked guests to sign in. All present introduced themselves.

WSAC/WSACE PRESENTATION

Mr. Merriman gave background information on the WSAC study to develop performance measures for transportation. He noted that CRAB staff has been very helpful, and that much of the data needed for the study is already being collected at CRAB. The study committee plans to request additional funds from the legislature in the next biennium.

Chair Burton opened the floor for questions and discussion.

It was noted that the CRABoard should have representation on the study committee. Chair Burton suggested that Commissioner Leita be designated as the Board's liaison to the committee, and Commissioner Leita and Mr. Merriman concurred.

Mr. Rowe gave a brief update on the WSACE fall meeting to be held November 13-15 in Wenatchee. He noted that one of the topics of discussion will be to begin planning for the NACE National Convention in 2016, which will be held in Washington State.

He highlighted a few issues that the WSACE plans to focus on during the 2013 legislative session.

STAFF UPDATES

Information Technology

Mr. Hillesland noted that 36 counties are now using AutoDesk AutoCAD Civil 3D. AutoDesk will be conducting several free training sessions at the 2012 Road Design Conference to be held November 6-8 in Lake Chelan, and that AutoDesk has become a platinum sponsor of the conference, contributing \$5,000.00. Mr. Ayres spoke briefly about the conference.

Mr. Hillesland gave an overview of county usage of the different aspects of Mobility, and listed the top ten Mobility enhancements that have been released in the last year. He reported that CRAB recently hired a temporary employee for

about a month who contacted each county to survey their GIS usage and needs.

Mr. Zimmer reported on a recent survey conducted in order to prioritize proposed changes and enhancements to the Pavement Management portion of Mobility. These will be implemented over time.

Mr. Hagenlock reported that the most recent update to VisRate was just released. He noted that a large amount of time will be spent on RAP Online updates and enhancements in the near future.

Mr. Hillesland reported that two Technology Exchange events are being planned for next year. Each will be followed by a two-day Mobility training session. The first will be held in the CRAB offices January 15-17 and the second in Wenatchee April 2-4.

Compliance and Data Analysis

Mr. Moorhead reported on his recent activities.

He reported that, as required by WAC 136-28-404, CRAB notified the counties of the year-to-date status of responses to collision data compiled by the WSDOT Statewide Travel and Collision Data Office (STCDO) as of September 30, 2012. The Standards of Good Practice specify a response rate of 90% or greater as of December 31 of each calendar year. During 2012, the STCDO has initiated a process improvement effort to reduce the delay in getting collisions posted and available for the counties to add road numbers and mileposts to the data base. However, the delay still appears to be about seven months, which impairs the counties' ability to meet the required response rate. As of September 30, 2012, 38 of 39 counties are in compliance with a response rate of 90% or better for 2011 (one county was one response short of the target); and 27 of 39 counties are at 90% or better for the 2012 year-to-date available collision data. He provided supplemental data for these figures.

He listed training sessions conducted by CRAB staff since the July 2012 CRABoard meeting. Sessions scheduled for the next three months include County Engineers' Training to be held in the CRAB offices December 4-6.

He noted that he will be assuming many of the responsibilities for Maintenance Management compliance and monitoring following Larry Pearson's retirement in September 2012.

Intergovernmental Management

Mr. Monsen reported on his recent activities.

He noted that supplemental information for the County Engineers' and Public Works Directors' Manual that addresses the definitions, terminology and context of Asset Management was completed in September, and an updated manual was released in October.

He reported that he has been researching the simplification of financial reporting for the counties. The State Auditor's Office and the WSDOT both agree that if there is a way for counties to submit a copy of their SAO financial reports to the WSDOT, the need for a separate report to the WSDOT will be eliminated. He is looking for similar opportunities with other reports and entities as well.

Chair Burton noted that this will be Commissioner Thayer's last CRABoard meeting, as he is retiring from public service. He thanked the Commissioner for his time and dedication to the Board and to Klickitat County. Mr. Weber added his thanks and good wishes.

Meeting adjourned by Chair Burton at 10:19 am.

Chairman

ATTEST: _____